

Morepen Labs plans to hive off medical devices business

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New Delhi-headquartered Morepen Laboratories, makers of glucometers and blood pressure monitoring machines, is planning to hive off its medical devices business into a separate unlisted subsidiary in 12-24 months to unlock value.

Speaking to *Business Standard*, Sushil Suri, chairman

and managing director, said the medical devices business is touching a turnover of ₹500 crore.

“In the next 12-24 months, we may look at hiving off this business into a separate unlisted subsidiary. We expect the medical devices business to grow at 25-28 per cent. In comparison, the active pharmaceutical ingredient (API) and formulations business is likely to grow at 15-20 per cent. There are a lot of potential oppor-

tunities in the medical devices space, especially glucometers,” Suri said.

Morepen Labs stock has soared 61.5 per cent year-to-date to ₹78.7 apiece on the BSE as on Monday. Morepen Labs posted a turnover of around ₹1,700 crore last year, of which the medical devices business contributed around ₹450 crore. The API, formulations, and over-the-counter consumer health business posted

around ₹1,250 crore.

Suri said that in Q1FY25, the medical devices business contributed around 30 per cent of the overall turnover, and over the next five years, it will grow to 35-40 per cent. He felt that having a distinct entity helps unlock value and also provides clarity to investors.

In August, Morepen Labs announced a successful subscription of a qualified institutional placement (QIP) for ₹200 crore.